

HB 1001-.102— Filed 01/22/2008, 07:54 Borror

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 12, between lines 3 and 4, begin a new paragraph and insert:
- 2 "SECTION 8. IC 5-1-5-1, AS AMENDED BY P.L.2-2006,
- 3 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2008]: Sec. 1. The following terms as used in this chapter
- 5 have the following meanings:
- 6 (a) "Governing body" means the council, commission, board of
- 7 commissioners, board of directors, board of trustees, or other
- 8 legislative body in which the legislative powers of the issuing body are
- 9 vested.
- 10 (b) "Issuing body" means the state of Indiana, its agencies,
- 11 commissions, universities, colleges, institutions, political subdivisions,
- 12 counties, school corporations, hospital associations, municipal and
- 13 quasi-municipal corporations, special taxing districts, and any
- 14 corporation which has issued bonds payable directly or indirectly from
- 15 lease rentals payable by any of the foregoing issuing bodies, now or
- 16 hereafter existing under the laws of the state.
- 17 (c) "Bond" means any revenue bond, general obligation bond, or
- 18 advance refunding bond.
- 19 (d) "Revenue bond" means any bond note, warrant, certificate of
- 20 indebtedness, or other obligation, including a certificate or other
- 21 evidence of participation in the lessor's interest in and rights under a

lease, for the payment of money issued by an issuing body or any predecessor of any issuing body which is payable from designated revenues, rental payments, special benefits, taxes, or a special fund but excluding any obligation constituting an indebtedness within the meaning of the constitutional debt limitation and any obligation payable solely from special assessments or special assessments and a guaranty fund.

(e) "General obligation bond" means any bond, note, warrant, certificate of indebtedness, or other obligation of an issuing body which constitutes an indebtedness within the meaning of the constitutional debt limitation.

(f) "Advance refunding bonds" means bonds issued for the purpose of refunding bonds first subject to redemption or maturing after the date of the advance refunding bonds.

(g) "Ordinance" means an ordinance of a city or town or resolution or other instrument by which the governing body of the issuing body exercising any power hereunder takes formal action and adopts legislative provisions and matters of some permanency.

(h) "Corporation which has issued bonds" means a corporation organized under IC 20-47-2 or IC 20-47-3, the laws of any state of the United States of America or of the United States of America, including any bank, trust company, or national association serving as a trustee under an indenture providing for issuance of bonds.

**(i) "Local issuing body" means an issuing body that is:**

**(1) a political subdivision (as defined in IC 36-1-2-13);**

**(2) a district (as defined in IC 6-1.1-21.2-5); or**

**(3) a corporation or other entity that:**

**(A) is not a body corporate and politic established as an instrumentality of the state; and**

**(B) has issued bonds that are payable directly or indirectly from lease rentals payable by a political subdivision or district described in subdivision (1) or (2).**

**(j) "Special benefit taxes" means a special tax levied and collected on an ad valorem basis on property for the purpose of financing local public improvements that:**

**(1) are not political or governmental in nature; and**

**(2) are of special benefit to the residents and property of the area.**

**(k) "Tax increment revenues" means an allocation of:**

**(1) ad valorem property taxes;**

**(2) state or local adjusted gross income taxes; or**

**(3) state or local gross retail and use taxes;**

**to a redevelopment district that did not impose the taxes based on an increase in the assessed value, wages, sales, or other economic activity occurring in a designated area. The term includes allocations described in IC 5-28-26-9, IC 6-1.1-21.2-10, IC 12-19-1.5-7, IC 36-7-26-10, IC 36-7-27-8, IC 36-7-31-6, and**

**IC 36-7-31.3-4.**

**(l) "Redevelopment district" refers to the following:**

**(1) An airport development zone under IC 8-22-3.5.**

**(2) A redevelopment district established under:**

**(A) IC 36-7-14; or**

**(B) IC 36-7-15.1.**

**(3) A special taxing district described in:**

**(A) IC 36-7-14.5-12.5(d); or**

**(B) IC 36-7-30-3(b).**

**(4) Another public entity to which tax increment revenues are allocated.**

**(†) (m)** Words used in this chapter importing singular or plural number may be construed so that one (1) number includes both.

SECTION 9. IC 5-1-5-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 17. (a) This section applies to bonds that are:**

**(1) issued after June 30, 2008, by a local issuing body; and**

**(2) payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes;**

**including bonds that are issued under a statute that permits the bonds to be issued without complying with any other law or otherwise expressly exempts the bonds from the requirements of this section.**

**(b) The last date permitted under an agreement for the payment of principal and interest on bonds that are issued to retire or otherwise refund other revenue bonds or general obligation bonds may not extend beyond the maximum term of the bonds being refunded.**

SECTION 10. IC 5-1-5-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 18. (a) This section applies to bonds that are:**

**(1) issued after June 30, 2008, by a local issuing body; and**

**(2) payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes;**

**including bonds that are issued under a statute that permits the bonds to be issued without complying with any other law or otherwise expressly exempts the bonds from the requirements of this section.**

**(b) Savings (as computed under section 2 of this chapter) that accrue from the issuance of bonds to retire or otherwise refund other bonds may be used only for the following purposes:**

**(1) To maintain a debt service reserve fund for the refunding bonds at the level required under the terms of the refunding bonds, if the local issuing body adopts an ordinance, resolution, or order authorizing that use of the proceeds or**

earnings.

(2) To pay the principal or interest, or both, on:

(A) the refunding bonds; or

(B) other bonds, if the issuing body approves an ordinance authorizing the use of the savings to pay principal or interest on other bonds.

(3) To reduce the rate or amount of ad valorem property taxes, special benefit taxes on property, or tax increment revenues imposed by or allocated to the local issuing body.

SECTION 11. IC 5-1-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~As used in The~~ **definitions in this section apply throughout** this chapter:

(1) "Bonds" has the same definition that the term is given in IC 5-1-11-1.

(2) "Local issuing body" has the meaning set forth in IC 5-1-5-1.

(3) "Political subdivision" has the same definition that the term is given in IC 36-1-2-13.

(4) "Special benefit taxes" has the meaning set forth in IC 5-1-5-1.

(5) "Tax increment revenues" has the meaning set forth in IC 5-1-5-1.

SECTION 12. IC 5-1-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) Notwithstanding any other law, whenever:

(1) bonds are issued by any ~~political subdivision~~ **local issuing body** in the state of Indiana for any lawful purpose or project;

(2) the purpose or project for which the bonds were issued has been accomplished or abandoned; and

(3) a surplus remains from the proceeds of the bonds or investment earnings derived from the proceeds of those bonds; the ~~political subdivision~~ **local issuing body** may use the surplus only in the manner prescribed by subsection (b), ~~or~~ (c), **or (d)**.

(b) The legislative body **or other governing body** of any such ~~political subdivision~~ **local issuing body** may by an order, ordinance, or resolution entered of record direct the disbursing officer of such ~~political subdivision~~ **local issuing body** to transfer the surplus bond proceeds or investment earnings to the fund of the ~~political subdivision~~ **local issuing body** pledged to the payment of principal and interest on those bonds, and upon such order, ordinance, or resolution being made, the disbursing officer shall make such transfer. Thereafter such funds transferred shall be used for the payment of the bonds to which the surplus bond proceeds or investment earnings are attributable or interest due for such bonds.

(c) **Surplus bond proceeds or investment earnings may be used by a local issuing body for the following purposes:**

(1) To maintain a debt service reserve fund for the bonds to which the surplus bond proceeds or investment earnings are attributable, at the level required under the terms of the bonds, if the local issuing body adopts an ordinance, resolution, or order authorizing that use of the proceeds or earnings.

(2) To pay the principal or interest, or both on any other bonds of the local issuing body, if the local issuing body adopts an ordinance, resolution, or order authorizing the use of the surplus proceeds to pay principal or interest on the bonds.

(3) To reduce the rate or amount of ad valorem property taxes, special benefit taxes on property, or tax increment revenues imposed by or allocated to the local issuing body.

~~(c)~~ (d) This section applies to bonds that are not payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes. Surplus bond proceeds or investment earnings may be used by a ~~political subdivision~~ local issuing body for the same purpose or type of project for which the bonds were originally issued, if:

(1) the fiscal officer of the ~~political subdivision~~ local issuing body certifies before or at the time of that use that the surplus was not anticipated at the time of issuance of the bonds; and

(2) the board or legislative body responsible for issuing the bonds takes action approving the use of surplus bond proceeds or investment earnings for the same purpose or type of project for which the bonds were originally issued.

SECTION 13. IC 5-1-14-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 1.3. The following definitions apply throughout this chapter:**

(1) "Local issuing body" has the meaning set forth in IC 5-1-5-1.

(2) "Special benefit taxes" has the meaning set forth in IC 5-1-5-1.

(3) "Tax increment revenues" has the meaning set forth in IC 5-1-5-1.

SECTION 14. IC 5-1-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 6. (a)** Notwithstanding any other law, an issuer may use proceeds of its obligations to pay the reasonable cost of issuance of the obligations or to fund reasonably required debt service reserves to secure the payment of the obligations.

**(b) Except as otherwise provided by subsection (c), and** notwithstanding any other law, an issuer may use proceeds of the issuer's obligations to pay interest on the obligations for:

(1) a period not to exceed two (2) years from the date of issuance of the obligations; or

(2) any longer period that is permitted by any other statute.

**(c) This subsection applies to obligations issued after June 30, 2008, that are wholly or partially payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes. Notwithstanding any other law, an issuer may use proceeds of the issuer's obligations to pay interest on the obligations for a period not to exceed:**

**(1) five (5) years from the date of issuance of the obligations, for obligations wholly or partially payable from tax increment revenues derived from property taxes; or**

**(2) two (2) years from the date of issuance, for obligations wholly or partially payable from ad valorem property taxes or special benefit taxes on property.**

~~(c)~~ **(d)** Notwithstanding any other law, an issuer may reimburse itself for preliminary costs incurred in financing any project or purpose from proceeds of the obligations when issued.

SECTION 15. IC 5-1-14-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) If an issuer has issued obligations under a statute that establishes a maximum term or repayment period for the obligations, notwithstanding that statute, the issuer may continue to make payments of principal, interest, or both, on the obligations after the expiration of the term or period if principal or interest owed to owners of the obligations remains unpaid.

(b) This section does not authorize the use of revenues or funds to make payments of principal and interest other than those revenues or funds that were pledged for the payments before the expiration of the term or period.

**(c) Except as otherwise provided by this section, the maximum term or repayment period for obligations issued after June 30, 2008, that are wholly or partially payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes may not exceed:**

**(1) the maximum applicable period under federal law, for obligations that are issued to evidence loans made or guaranteed by the federal government or a federal agency;**

**(2) twenty-five (25) years, for obligations that are wholly or partially payable from tax increment revenues derived from property taxes; or**

**(3) twenty (20) years, for obligations that are not described in subdivision (1) or (2) and are wholly or partially payable from ad valorem property taxes or special benefit taxes on property.**

SECTION 16. IC 5-1-14-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) **This section applies to obligations that are:**

**(1) issued after June 30, 2008, by a local issuing body; and**

**(2) payable from ad valorem property taxes, special benefit**

1           **taxes on property, or tax increment revenues derived from**  
 2           **property taxes;**  
 3           **including obligations that are issued under a statute that permits**  
 4           **the bonds to be issued without complying with any other law or**  
 5           **otherwise expressly exempts the bonds from the requirements of**  
 6           **this section.**

7           **(b) An agreement for the issuance of obligations must provide**  
 8           **for the payment of principal and interest on the obligations in**  
 9           **nearly equal payment amounts and at regular designated intervals**  
 10           **over the maximum term of the obligations except to the extent that:**

11           **(1) interest for a particular repayment period has been paid**  
 12           **from the proceeds of the obligations under section 6 of this**  
 13           **chapter; or**

14           **(2) the local issuing body authorizes a different payment**  
 15           **schedule to:**

16           **(A) maintain substantially equal payments, in the**  
 17           **aggregate, in any period in which the local issuing body**  
 18           **pays the interest and principal on outstanding obligations;**

19           **(B) provide for the payment of principal on the obligations**  
 20           **in amounts and at intervals that will produce an aggregate**  
 21           **amount of principal payments greater than or equal to the**  
 22           **aggregate amount that would otherwise be paid as of the**  
 23           **same date; or**

24           **(C) with respect to obligations wholly or partially payable**  
 25           **from tax increment revenues derived from property taxes,**  
 26           **provide for the payment of principal and interest in**  
 27           **varying amounts over the term of the obligations as**  
 28           **necessary due to the variation in the amount of tax**  
 29           **increment revenues available for those payments.**

30           **SECTION 17. IC 5-1-16-42 IS AMENDED TO READ AS**  
 31           **FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) When the**  
 32           **authority, the board of trustees or board of managers of the hospital, the**  
 33           **board of commissioners of the county, and a majority of the county**  
 34           **council have agreed upon the terms and conditions of any lease**  
 35           **proposed to be entered into under section 38 or 39 of this chapter, and**  
 36           **before the final execution of the lease, the county auditor shall give**  
 37           **notice by publication of a public hearing to be held in the county by the**  
 38           **board of commissioners. The hearing shall take place on a day not**  
 39           **earlier than ten (10) days after the publication of the notice. The notice**  
 40           **of the hearing shall be published one (1) time in a newspaper of general**  
 41           **circulation printed in the English language and published in the county.**  
 42           **The notice shall do the following:**

43           **(1) Name the day, place, and hour of the hearing.**

44           **(2) Set forth a brief summary of the principal terms of the lease**  
 45           **agreed upon, including the character and location of the property**  
 46           **to be leased, the lease rental to be paid, and the number of years**  
 47           **the contract is to be in effect.**

1           (3) State a location where the proposed lease, drawings, plans,  
2           specifications, and estimates may be examined.

3           The proposed lease and the drawings, plans, specifications, and  
4           estimates of construction cost for the building shall be open to  
5           inspection by the public during the ten (10) day period and at the  
6           hearing. All interested persons shall have a right to be heard at the  
7           hearing on the necessity for the execution of the lease and whether the  
8           lease rental under the lease is fair and reasonable. The hearing may be  
9           adjourned to a later date with the place of the hearing fixed prior to  
10          adjournment. Following the hearing, the board of commissioners may  
11          either authorize the execution of the lease as originally agreed upon or  
12          may make modifications that are agreed upon by the authority, the  
13          board of trustees or board of managers of the hospital, and the county  
14          council. The authorization shall be by an order that is entered in the  
15          official records of the board of commissioners. The lease contract shall  
16          be executed on behalf of the county by the board of commissioners.

17          (b) If the execution of the lease as originally agreed upon or as  
18          modified by agreement is authorized, notice of the signing of the lease  
19          shall be given on behalf of the county by publication one (1) time in a  
20          newspaper of general circulation printed in the English language and  
21          published in the county. Except as provided in subsection (d), ten (10)  
22          or more taxpayers in the county whose tax rate will be affected by the  
23          proposed lease and who may be of the opinion that no necessity exists  
24          for the execution of the lease or that the lease rental under the lease is  
25          not fair and reasonable may file a petition in the office of the county  
26          auditor within thirty (30) days after publication of notice of the  
27          execution of the lease that sets forth the taxpayers' objections and facts  
28          supporting those objections. Upon the filing of a petition, the county  
29          auditor shall immediately certify a copy of the petition together with  
30          such other data as may be necessary in order to present the questions  
31          involved to the department of local government finance. Upon receipt  
32          of the certified petition and information, the department of local  
33          government finance shall fix a time and place in the affected county for  
34          the hearing of the matter that is not less than five (5) or more than  
35          fifteen (15) days after receipt. Notice of the hearing shall be given by  
36          the department of local government finance to the board of county  
37          commissioners and to the first ten (10) taxpayer petitioners upon the  
38          petition by certified mail sent to the addresses listed on the petition at  
39          least five (5) days before the date of the hearing.

40          (c) No action to contest the validity of the lease or to enjoin the  
41          performance of any of the terms and conditions of the lease shall be  
42          instituted at any time later than thirty (30) days after publication of  
43          notice of the execution of the lease, or if an appeal has been taken to  
44          the department of local government finance, then within thirty (30)  
45          days after the decision of the department.

46          (d) The authority for taxpayers to object to a proposed lease under

subsubsection (b) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1~~ and ~~IC 6-1.1-20-3.2~~. **IC 6-1.1-20."**

Page 112, line 27, strike "IC 6-1.1-20-3.1(2)," and insert "**IC 6-1.1-20-3.1(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable,**".

Page 115, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 137. IC 6-1.1-20-1.1, AS AMENDED BY P.L.2-2006, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than ~~two~~ **the lesser of the following:**

**(A) Seven million dollars (~~\$2,000,000~~): (\$7,000,000).**

**(B) An amount equal to the greater of:**

**(i) five-tenths of one percent (0.5%) of the total taxable property within the political subdivision on the last assessment date; or**

**(ii) two hundred thousand dollars (\$200,000).**

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

**(6) A project that:**

**(A) is in response to an emergency or a natural disaster in the political subdivision; and**

**(B) is approved by the county council of each county in which the political subdivision is located.**

SECTION 138. IC 6-1.1-20-1.9, AS ADDED BY P.L.219-2007, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.9. As used in this chapter, "registered voter"

1 means the following:

2 (1) In the case of a petition under section 3.1 of this chapter to  
 3 initiate a petition and remonstrance process, an individual who is  
 4 registered to vote in the political subdivision on the date the  
 5 proper officers of the political subdivision publish notice under  
 6 section ~~3.1(2)~~ **3.1(c)(2)** of this chapter of a preliminary  
 7 determination by the political subdivision to issue bonds or enter  
 8 into a lease.

9 (2) In the case of:

10 (A) a petition under section 3.2 of this chapter in favor of the  
 11 proposed debt service or lease payments; or

12 (B) a remonstrance under section 3.2 of this chapter against  
 13 the proposed debt service or lease payments;

14 an individual who is registered to vote in the political subdivision  
 15 on the date that is thirty (30) days after the notice of the  
 16 applicability of the petition and remonstrance process is published  
 17 under section ~~3.2(1)~~ **3.1(c)(1)** of this chapter.

18 **(3) In the case of a public question held under section 3.6 of**  
 19 **this chapter, an individual who is registered to vote in the**  
 20 **political subdivision on the date that is thirty (30) days before**  
 21 **the date of the election in which the public question will be**  
 22 **held.**

23 SECTION 139. IC 6-1.1-20-3.1, AS AMENDED BY P.L.219-2007,  
 24 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2008]: Sec. 3.1. **(a) Except as provided in subsection (b),**  
 26 **this section applies only to a controlled project for which the**  
 27 **proper officers of a political subdivision make a preliminary**  
 28 **determination before July 1, 2008, to issue bonds or enter into a**  
 29 **lease.**

30 **(b) This section also applies to bonds or a lease that:**

31 **(1) will be used to finance a controlled project that is a project**  
 32 **of a growing school corporation (as defined in section 3.6(h)**  
 33 **of this chapter); and**

34 **(2) is not subject to approval in a local public question under**  
 35 **section 3.6 of this chapter;**

36 **regardless of whether the preliminary determination to issue the**  
 37 **bonds or enter into the lease for the controlled project is made**  
 38 **before, on, or after July 1, 2008.**

39 **(c) A political subdivision may not impose property taxes to pay**  
 40 **debt service or lease rentals without completing the following**  
 41 **procedures:**

42 **(1) The proper officers of a political subdivision shall:**

43 **(A) publish notice in accordance with IC 5-3-1; and**

44 **(B) send notice by first class mail to any organization that**  
 45 **delivers to the officers, before January 1 of that year, an annual**  
 46 **written request for such notices;**

1 of any meeting to consider adoption of a resolution or an  
 2 ordinance making a preliminary determination to issue bonds or  
 3 enter into a lease and shall conduct a public hearing on a  
 4 preliminary determination before adoption of the resolution or  
 5 ordinance.

6 (2) When the proper officers of a political subdivision make a  
 7 preliminary determination to issue bonds or enter into a lease, the  
 8 officers shall give notice of the preliminary determination by:

9 (A) publication in accordance with IC 5-3-1; and

10 (B) first class mail to the organizations described in  
 11 subdivision (1)(B).

12 (3) A notice under subdivision (2) of the preliminary  
 13 determination of the political subdivision to issue bonds or enter  
 14 into a lease must include the following information:

15 (A) The maximum term of the bonds or lease.

16 (B) The maximum principal amount of the bonds or the  
 17 maximum lease rental for the lease.

18 (C) The estimated interest rates that will be paid and the total  
 19 interest costs associated with the bonds or lease.

20 (D) The purpose of the bonds or lease.

21 (E) A statement that any owners of real property within the  
 22 political subdivision or registered voters residing within the  
 23 political subdivision who want to initiate a petition and  
 24 remonstrance process against the proposed debt service or  
 25 lease payments must file a petition that complies with  
 26 subdivisions (4) and (5) not later than thirty (30) days after  
 27 publication in accordance with IC 5-3-1.

28 (F) With respect to bonds issued or a lease entered into to  
 29 open:

30 (i) a new school facility; or

31 (ii) an existing facility that has not been used for at least  
 32 three (3) years and that is being reopened to provide  
 33 additional classroom space;

34 the estimated costs the school corporation expects to incur  
 35 annually to operate the facility.

36 (G) A statement of whether the school corporation expects to  
 37 appeal for a new facility adjustment (as defined in  
 38 IC 20-45-1-16) for an increased maximum permissible tuition  
 39 support levy to pay the estimated costs described in clause (F).

40 (4) After notice is given, a petition requesting the application of  
 41 a petition and remonstrance process may be filed by the lesser of:

42 (A) one hundred (100) persons who are either owners of real  
 43 property within the political subdivision or registered voters  
 44 residing within the political subdivision; or

45 (B) five percent (5%) of the registered voters residing within  
 46 the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of real property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as a real property owner must indicate the address of the real property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. The county voter registration office shall not more than fifteen (15) business days after receiving a petition forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered

voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(9) The county voter registration office shall not more than ten (10) business days after receiving the statement from the county auditor under subdivision (8) make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own real property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within thirty-five (35) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

1 within thirty-five (35) business days of the filing of the petition  
 2 requesting a petition and remonstrance process. The certificate  
 3 must state the number of petitioners that are owners of real  
 4 property within the political subdivision and the number of  
 5 petitioners who are registered voters residing within the political  
 6 subdivision.

7 If a sufficient petition requesting a petition and remonstrance process  
 8 is not filed by owners of real property or registered voters as set forth  
 9 in this section, the political subdivision may issue bonds or enter into  
 10 a lease by following the provisions of law relating to the bonds to be  
 11 issued or lease to be entered into.

12 SECTION 140. IC 6-1.1-20-3.2, AS AMENDED BY P.L.219-2007,  
 13 SECTION 61, AND AS AMENDED BY P.L.224-2007, SECTION 31,  
 14 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2008]: Sec. 3.2. **(a) Except as provided in**  
 16 **subsection (b), this section applies only to a controlled project for**  
 17 **which the proper officers of a political subdivision make a**  
 18 **preliminary determination before July 1, 2008, to issue bonds or**  
 19 **enter into a lease.**

20 **(b) This section also applies to bonds or a lease that:**

21 **(1) will be used to finance a controlled project that is a project**  
 22 **of a growing school corporation (as defined in section 3.6(h)**  
 23 **of this chapter); and**

24 **(2) is not subject to approval in a local public question under**  
 25 **section 3.6 of this chapter;**

26 **regardless of whether the preliminary determination to issue the**  
 27 **bonds or enter into the lease for the controlled project is made**  
 28 **before, on, or after July 1, 2008.**

29 **(c) If a sufficient petition requesting the application of a petition and**  
 30 **remonstrance process has been filed as set forth in section 3.1 of this**  
 31 **chapter, a political subdivision may not impose property taxes to pay**  
 32 **debt service or lease rentals without completing the following**  
 33 **procedures:**

34 **(1) The proper officers of the political subdivision shall give**  
 35 **notice of the applicability of the petition and remonstrance**  
 36 **process by:**

37 **(A) publication in accordance with IC 5-3-1; and**

38 **(B) first class mail to the organizations described in section**  
 39 **~~3.1(1)(B)~~ 3.1(c)(1)(B) of this chapter.**

40 A notice under this subdivision must include a statement that any  
 41 owners of real property *within the political subdivision or*  
 42 *registered voters residing* within the political subdivision who  
 43 want to petition in favor of or remonstrate against the proposed  
 44 debt service or lease payments must file petitions and  
 45 remonstrances in compliance with subdivisions (2) through (4)  
 46 not earlier than thirty (30) days or later than sixty (60) days after

1 publication in accordance with IC 5-3-1.

2 (2) Not earlier than thirty (30) days or later than sixty (60) days  
3 after the notice under subdivision (1) is given:

4 (A) petitions (described in subdivision (3)) in favor of the  
5 bonds or lease; and

6 (B) remonstrances (described in subdivision (3)) against the  
7 bonds or lease;

8 may be filed by an owner or owners of real property *within the*  
9 *political subdivision or a registered voter residing* within the  
10 political subdivision. Each signature on a petition must be dated,  
11 and the date of signature may not be before the date on which the  
12 petition and remonstrance forms may be issued under subdivision  
13 (3). A petition described in clause (A) or a remonstrance  
14 described in clause (B) must be verified in compliance with  
15 subdivision (4) before the petition or remonstrance is filed with  
16 the county ~~auditor~~ voter registration office under subdivision (4).

17 (3) The state board of accounts shall design and, upon request by  
18 the county ~~auditor~~, voter registration office, deliver to the county  
19 ~~auditor~~ voter registration office or the county ~~auditor's~~ voter  
20 registration office's designated printer the petition and  
21 remonstrance forms to be used solely in the petition and  
22 remonstrance process described in this section. The county  
23 ~~auditor~~ voter registration office shall issue to an owner or owners  
24 of real property *within the political subdivision or a registered*  
25 *voter residing* within the political subdivision the number of  
26 petition or remonstrance forms requested by the owner or owners  
27 *or the registered voter*. Each form must be accompanied by  
28 instructions detailing the requirements that:

29 (A) the carrier and signers must be owners of real property *or*  
30 *registered voters*;

31 (B) the carrier must be a signatory on at least one (1) petition;

32 (C) after the signatures have been collected, the carrier must  
33 swear or affirm before a notary public that the carrier  
34 witnessed each signature;

35 (D) govern the closing date for the petition and remonstrance  
36 period; and

37 (E) apply to the carrier under section 10 of this chapter.

38 Persons requesting forms may ~~not~~ be required to identify  
39 themselves *as owners of real property or registered voters* and  
40 may be allowed to pick up additional copies to distribute to other  
41 property owners *or registered voters*. *Each person signing a*  
42 *petition or remonstrance must indicate whether the person is*  
43 *signing the petition or remonstrance as a registered voter within*  
44 *the political subdivision or is signing the petition or*  
45 *remonstrance as the owner of real property within the political*  
46 *subdivision. A person who signs a petition or remonstrance as a*

1 *registered voter must indicate the address at which the person is*  
 2 *registered to vote. A person who signs a petition or remonstrance*  
 3 *as a real property owner must indicate the address of the real*  
 4 *property owned by the person in the political subdivision. The*  
 5 *county ~~auditor~~ voter registration office may not issue a petition*  
 6 *or remonstrance form earlier than twenty-nine (29) days after the*  
 7 *notice is given under subdivision (1). The county ~~auditor~~ voter*  
 8 *registration office shall certify the date of issuance on each*  
 9 *petition or remonstrance form that is distributed under this*  
 10 *subdivision.*

11 (4) The petitions and remonstrances must be verified in the  
 12 manner prescribed by the state board of accounts and filed with  
 13 the county ~~auditor~~ voter registration office within the sixty (60)  
 14 day period described in subdivision (2) in the manner set forth in  
 15 section 3.1 of this chapter relating to requests for a petition and  
 16 remonstrance process.

17 (5) *The county voter registration office shall determine whether*  
 18 *each person who signed the petition or remonstrance is a*  
 19 *registered voter. The county voter registration office shall not*  
 20 *more than fifteen (15) business days after receiving a petition or*  
 21 *remonstrance forward a copy of the petition or remonstrance to*  
 22 *the county auditor. Not more than ten (10) business days after*  
 23 *receiving the copy of the petition or remonstrance, the county*  
 24 *auditor shall provide to the county voter registration office a*  
 25 *statement verifying:*

26 (A) *whether a person who signed the petition or remonstrance*  
 27 *as a registered voter but is not a registered voter, as*  
 28 *determined by the county voter registration office, is the*  
 29 *owner of real property in the political subdivision; and*

30 (B) *whether a person who signed the petition or remonstrance*  
 31 *as an owner of real property within the political subdivision*  
 32 *does in fact own real property within the political subdivision.*

33 (6) *The county voter registration office shall not more than ten*  
 34 *(10) business days after receiving the statement from the county*  
 35 *auditor under subdivision (5) make the final determination of:*

36 (A) *the number of registered voters in the political subdivision*  
 37 *that signed a petition and, based on the statement provided by*  
 38 *the county auditor, the number of owners of real property*  
 39 *within the political subdivision that signed a petition; and*

40 (B) *the number of registered voters in the political subdivision*  
 41 *that signed a remonstrance and, based on the statement*  
 42 *provided by the county auditor, the number of owners of real*  
 43 *property within the political subdivision that signed a*  
 44 *remonstrance.*

45 *Whenever the name of an individual who signs a petition or*  
 46 *remonstrance as a registered voter contains a minor variation*

1 *from the name of the registered voter as set forth in the records*  
 2 *of the county voter registration office, the signature is presumed*  
 3 *to be valid, and there is a presumption that the individual is*  
 4 *entitled to sign the petition or remonstrance under this section.*  
 5 *Except as otherwise provided in this chapter, in determining*  
 6 *whether an individual is a registered voter, the county voter*  
 7 *registration office shall apply the requirements and procedures*  
 8 *used under IC 3 to determine whether a person is a registered*  
 9 *voter for purposes of voting in an election governed by IC 3.*  
 10 *However, an individual is not required to comply with the*  
 11 *provisions concerning providing proof of identification to be*  
 12 *considered a registered voter for purposes of this chapter. A*  
 13 *person is entitled to sign a petition or remonstrance only one (1)*  
 14 *time in a particular petition and remonstrance process under this*  
 15 *chapter, regardless of whether the person owns more than one (1)*  
 16 *parcel of real property within the subdivision and regardless of*  
 17 *whether the person is both a registered voter in the political*  
 18 *subdivision and the owner of real property within the political*  
 19 *subdivision. Notwithstanding any other provision of this section,*  
 20 *if a petition or remonstrance is presented to the county voter*  
 21 *registration office within thirty-five (35) days before an election,*  
 22 *the county voter registration office may defer acting on the*  
 23 *petition or remonstrance, and the time requirements under this*  
 24 *section for action by the county voter registration office do not*  
 25 *begin to run until five (5) days after the date of the election.*

26 ~~(5)~~ (7) The county ~~auditor~~ voter registration office must file a  
 27 certificate and the petition or remonstrance with the body of the  
 28 political subdivision charged with issuing bonds or entering into  
 29 leases within ~~fifteen (15)~~ thirty-five (35) business days of the  
 30 filing of a petition or remonstrance under subdivision (4),  
 31 whichever applies, containing ten thousand (10,000) signatures or  
 32 less. The county ~~auditor~~ voter registration office may take an  
 33 additional five (5) days to review and certify the petition or  
 34 remonstrance for each additional five thousand (5,000) signatures  
 35 up to a maximum of sixty (60) days. The certificate must state the  
 36 number of petitioners and remonstrators that are owners of real  
 37 property *within the political subdivision and the number of*  
 38 *petitioners who are registered voters residing* within the political  
 39 subdivision.

40 ~~(6)~~ (8) If a greater number of persons who are either owners of  
 41 real property *within the political subdivision or registered voters*  
 42 *residing* within the political subdivision sign a remonstrance than  
 43 the number that signed a petition, the bonds petitioned for may  
 44 not be issued or the lease petitioned for may not be entered into.  
 45 The proper officers of the political subdivision may not make a  
 46 preliminary determination to issue bonds or enter into a lease for

the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county ~~auditor's~~ voter registration office's certificate under subdivision ~~(5)~~ (7). Withdrawal of a petition carries the same consequences as a defeat of the petition.

~~(7)~~ (9) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance *if* required by:

(A) IC 6-1.1-18.5-8; or

(B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

SECTION 141. IC 6-1.1-20-3.4, AS ADDED BY P.L.224-2007, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3.4. **(a) Except as provided in subsection (b), this section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination before July 1, 2008, to issue bonds or enter into a lease.**

**(b) This section also applies to bonds or a lease that:**

**(1) will be used to finance a controlled project that is a project of a growing school corporation (as defined in section 3.6(h) of this chapter); and**

**(2) is not subject to approval in a local public question under section 3.6 of this chapter;**

**regardless of whether the preliminary determination to issue the bonds or enter into the lease for the controlled project is made before, on, or after July 1, 2008.**

~~(a)~~ (c) Notwithstanding any other provision of this chapter, the executive of a political subdivision may initiate the petition and remonstrance process under this chapter for the approval or disapproval of a proposed controlled project of the political subdivision that has been disapproved under IC 6-1.1-29.5 by the county board of tax and capital projects review.

~~(b)~~ (d) The executive of a political subdivision may initiate the petition and remonstrance process under this chapter for a proposed controlled project that has been disapproved by the county board of tax and capital projects review by giving notice of the applicability of the petition and remonstrance process as provided in section ~~3.2(1)~~ **3.2(c)(1)** of this chapter not more than sixty (60) days after the county board of tax and capital projects review disapproves the proposed

1 controlled project.

2 ~~(c)~~ (e) Section 3.2 of this chapter applies to a petition and  
3 remonstrance process initiated under this section. However, a sufficient  
4 petition requesting the application of a petition and remonstrance  
5 process is not required to be filed as set forth in section 3.1 of this  
6 chapter before the executive of a political subdivision may initiate the  
7 petition and remonstrance process as provided in this section.

8 ~~(d)~~ (f) If the number of owners of real property within the political  
9 subdivision and registered voters residing within the political  
10 subdivision that sign a petition in favor of the proposed controlled  
11 project is greater than the number of owners of real property within the  
12 political subdivision and registered voters residing within the political  
13 subdivision that sign a remonstrance against the proposed controlled  
14 project, the political subdivision may undertake the proposed  
15 controlled project, notwithstanding the disapproval of the proposed  
16 controlled project by the county board of tax and capital projects  
17 review under IC 6-1.1-29.5.

18 SECTION 142. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA  
19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2008]: **Sec. 3.5. (a) This section applies only**  
21 **to a controlled project for which the proper officers of a political**  
22 **subdivision make a preliminary determination after June 30, 2008,**  
23 **to issue bonds or enter into a lease.**

24 (b) A political subdivision may not impose property taxes to pay  
25 debt service or lease rentals without completing the following  
26 procedures:

27 (1) The proper officers of a political subdivision shall:

28 (A) publish notice in accordance with IC 5-3-1; and

29 (B) send notice by first class mail to any organization that  
30 delivers to the officers, before January 1 of that year, an  
31 annual written request for notices;

32 of any meeting to consider the adoption of an ordinance or a  
33 resolution making a preliminary determination to issue bonds  
34 or enter into a lease and shall conduct a public hearing on the  
35 preliminary determination before adoption of the ordinance  
36 or resolution.

37 (2) If the proper officers of a political subdivision make a  
38 preliminary determination to issue bonds or enter into a lease,  
39 the officers shall give notice of the preliminary determination  
40 by:

41 (A) publication in accordance with IC 5-3-1; and

42 (B) first class mail to the organizations described in  
43 subdivision (1)(B).

44 (3) A notice under subdivision (2) of the preliminary  
45 determination of the political subdivision to issue bonds or  
46 enter into a lease must include the following information:

47 (A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16) for an increased maximum permissible tuition support levy to pay any estimated costs described in clause (F).

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

(1) a copy of the notice required by subsection (b)(2); and

(2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter.

SECTION 143. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3.6. (a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination after June 30, 2008, to issue bonds or enter into a lease. However, this section does not apply to bonds issued by or a lease entered into by a growing school corporation for a controlled project if the county council of each county in which the growing school corporation is located has approved an appeal by the growing school corporation for the controlled project under subsection (h).

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) The following question shall be submitted to the voters at the election conducted under this section:

"Shall \_\_\_\_\_ (insert the name of the political subdivision) issue bonds or enter into a lease to finance \_\_\_\_\_ (insert the description of the controlled project)?".

(d) The county auditor shall certify the public question described in subsection (c) under IC 3-10-9-3 to the county election board of each county in which the political subdivision is located. After the public question is certified, the public question shall be placed on the ballot at the next primary or general election in which all voters of the political subdivision are entitled to vote. However, if a primary or general election will not be held in the six (6) month period after the county auditor certifies the public question, the public question may be placed on the ballot at a special election to be held:

(1) not earlier than ninety (90) days; and

(2) not later than one hundred twenty (120) days;

after the public question is certified. The public question may be placed on the ballot at a special election only if the fiscal body of the political subdivision that wishes to issue the bonds or enter into the lease agrees to pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.

(e) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(f) Subject to the requirements of IC 6-1.1-18.5-8 and IC 6-1.1-29.5, the political subdivision may issue the proposed bonds or enter into the proposed lease rental if a majority of the voters voting on the public question vote in favor of the public question.

(g) If a majority of the voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than one (1) year after the date of the election.

(h) As used in this section, "growing school corporation" means a school corporation that for the most recently completed school year had an increase in the school corporation's ADM (as defined in IC 20-18-2-2) of at least four percent (4%), as compared to the school year immediately preceding the most recently completed school year. A growing school corporation may, before the growing school corporation makes a preliminary determination to issue bonds or enter into a lease that is otherwise subject to this section, file an appeal with the county council of each county in which the

growing school corporation is located. A county council may approve the appeal only if the county council finds:

- (1) that the bonds will be issued for or the lease will be entered into for a controlled project that is necessary to accommodate increased enrollment in the school corporation; or
- (2) that delay in issuing the bonds or entering into the lease will result in a significant shortage of classroom space within the school corporation.

If a county council approves the appeal, the issuance of the bonds or the entering into the lease is not subject to a public question under this section. A county council must approve or disapprove an appeal by a growing school corporation not more than forty-five (45) days after the appeal is filed with the county council. If a county council does not approve or disapprove an appeal by a growing school corporation not more than forty-five (45) days after the appeal is filed with the county council, the appeal is considered approved by the county council. In the case of an appeal by a growing school corporation that is located in more than one (1) county, an appeal is not considered approved unless the county council of each county in which the growing school corporation is located has approved the appeal.

(i) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

SECTION 144. IC 6-1.1-20-9, AS AMENDED BY P.L.224-2007, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) When the proper officers of a political subdivision decide to issue bonds payable from property taxes to finance a public improvement, they shall adopt an ordinance or resolution which sets forth their determination to issue the bonds. Except as provided in subsection (b), the political subdivision may not advertise for or receive bids for the construction of the improvement until the expiration of the latter of: after either of the following:

**(1) In the case of a proposed issue that is subject to section 3.1 of this chapter, the expiration of either:**

- ~~(1)~~ (A) the time period within which taxpayers may file a petition for review of or a remonstrance against the proposed issue; or
- ~~(2)~~ (B) the time period during which a petition for review of the proposed issue is pending before the department of local government finance (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008).

**(2) In the case of a proposed issue that is subject to section 3.5 of this chapter, the proposed issue is approved in an election on a public question held under section 3.6 of this chapter.**

(b) This subsection applies before January 1, 2009. When a petition for review of a proposed issue is pending before the department of local

government finance, the department may order the political subdivision to advertise for and receive bids for the construction of the public improvement. When the department of local government finance issues such an order, the political subdivision shall file a bid report with the department within five (5) days after the bids are received, and the department shall render a final decision on the proposed issue within fifteen (15) days after it receives the bid report. Notwithstanding the provisions of this subsection, a political subdivision may not enter into a contract for the construction of a public improvement while a petition for review of the bond issue which is to finance the improvement is pending before the department of local government finance.

(c) This subsection applies after December 31, 2008. When a petition for review of a proposed issue is pending before the county board of tax and capital projects review, the board may order the political subdivision to advertise for and receive bids for the construction of the public improvement. When the county board of tax and capital projects review issues such an order, the political subdivision shall file a bid report with the board within five (5) days after the bids are received, and the board shall render a final decision on the proposed issue within fifteen (15) days after it receives the bid report. Notwithstanding the provisions of this subsection, a political subdivision may not enter into a contract for the construction of a public improvement while a petition for review of the bond issue that is to finance the improvement is pending before the county board of tax and capital projects review.

SECTION 145. IC 6-1.1-20-10, AS AMENDED BY P.L.162-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) This section applies to a political subdivision that adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease. During the period commencing with the adoption of the ordinance or resolution and, if a petition and remonstrance process is commenced under section 3.2 of this chapter, continuing through the sixty (60) day period commencing with the notice under ~~section 3.2(1)~~ **section 3.2(c)(1)** of this chapter **(in the case of a petition and remonstrance) and continuing through the day on which a local public question is submitted to the voters of the political subdivision under section 3.6 of this chapter (in the case of a public question)**, the political subdivision seeking to issue bonds or enter into a lease for the proposed controlled project may not promote a position on the petition, ~~or~~ remonstrance, **or public question** by doing any of the following:

- (1) Allowing facilities or equipment, including mail and messaging systems, owned by the political subdivision to be used for public relations purposes to promote a position on the petition, ~~or~~ remonstrance, **or public question**, unless equal access to the facilities or equipment is given to persons with a position opposite

1 to that of the political subdivision.

2 (2) Making an expenditure of money from a fund controlled by  
3 the political subdivision to:

4 (A) promote a position on the petition, ~~or~~ remonstrance, **or**  
5 **public question**; or ~~to~~

6 (B) pay for the gathering of signatures on a petition or  
7 remonstrance.

8 This subdivision does not prohibit a political subdivision from  
9 making an expenditure of money to an attorney, an architect, a  
10 construction manager, or a financial adviser for professional  
11 services provided with respect to a controlled project.

12 (3) Using an employee to promote a position on the petition, ~~or~~  
13 remonstrance, **or public question** during the employee's normal  
14 working hours or paid overtime, or otherwise compelling an  
15 employee to promote a position on the petition, ~~or~~ remonstrance,  
16 **or public question** at any time.

17 (4) In the case of a school corporation, promoting a position on a  
18 petition, ~~or~~ remonstrance, **or public question** by:

19 (A) using students to transport written materials to their  
20 residences or in any way directly involving students in a  
21 school organized promotion of a position; or

22 (B) including a statement within another communication sent  
23 to the students' residences.

24 However, this section does not prohibit an employee of the political  
25 subdivision from carrying out duties with respect to a petition, ~~or~~  
26 remonstrance, **or public question** that are part of the normal and  
27 regular conduct of the employee's office or agency.

28 (b) A person may not solicit or collect signatures for a petition or  
29 remonstrance on property owned or controlled by the political  
30 subdivision.

31 (c) The staff and employees of a school corporation may not  
32 personally identify a student as the child of a parent or guardian who  
33 supports or opposes a petition, ~~or~~ remonstrance, **or public question**.

34 (d) A person or an organization that has a contract or arrangement  
35 (whether formal or informal) with a school corporation for the use of  
36 any of the school corporation's facilities may not spend any money to  
37 promote a position on the petition, ~~or~~ remonstrance, **or public**  
38 **question**. A person or an organization that violates this subsection  
39 commits a Class A infraction.

40 (e) An attorney, an architect, a construction manager, or a financial  
41 adviser for professional services provided with respect to a controlled  
42 project may not spend any money to promote a position on the petition,  
43 ~~or~~ remonstrance, **or public question**. A person who violates this  
44 subsection:

45 (1) commits a Class A infraction; and

46 (2) is barred from performing any services with respect to the

1 controlled project.

2 SECTION 146. IC 6-1.1-20-10.1 IS ADDED TO THE INDIANA  
3 CODE AS A NEW SECTION TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2008]: **Sec. 10.1. (a) This section applies only**  
5 **to a political subdivision that, after June 30, 2008, adopts an**  
6 **ordinance or a resolution making a preliminary determination to**  
7 **issue bonds or enter into a lease subject to sections 3.5 and 3.6 of**  
8 **this chapter.**

9 (b) During the period beginning with the adoption of the  
10 ordinance or resolution and continuing through the day on which  
11 a local public question is submitted to the voters of the political  
12 subdivision under section 3.6 of this chapter, the political  
13 subdivision seeking to issue bonds or enter into a lease for the  
14 proposed controlled project may not promote a position on the  
15 local public question by doing any of the following:

16 (1) Allowing facilities or equipment, including mail and  
17 messaging systems, owned by the political subdivision to be  
18 used for public relations purposes to promote a position on  
19 the local public question, unless equal access to the facilities  
20 or equipment is given to persons with a position opposite to  
21 that of the political subdivision.

22 (2) Making an expenditure of money from a fund controlled  
23 by the political subdivision to promote a position on the local  
24 public question. This subdivision does not prohibit a political  
25 subdivision from making an expenditure of money to an  
26 attorney, an architect, a construction manager, or a financial  
27 adviser for professional services provided with respect to a  
28 controlled project.

29 (3) Using an employee to promote a position on the local  
30 public question during the employee's normal working hours  
31 or paid overtime, or otherwise compelling an employee to  
32 promote a position on the local public question at any time.

33 (4) In the case of a school corporation, promoting a position  
34 on a local public question by:

35 (A) using students to transport written materials to their  
36 residences or in any way directly involving students in a  
37 school organized promotion of a position; or

38 (B) including a statement within another communication  
39 sent to the students' residences.

40 However, this section does not prohibit an employee of the political  
41 subdivision from carrying out duties with respect to a local public  
42 question that are part of the normal and regular conduct of the  
43 employee's office or agency.

44 (c) The staff and employees of a school corporation may not  
45 personally identify a student as the child of a parent or guardian  
46 who supports or opposes a controlled project subject to a local  
47 public question held under section 3.6 of this chapter.

(d) A person or an organization that has a contract or arrangement (whether formal or informal) with a school corporation for the use of any of the school corporation's facilities may not spend any money to promote a position on a local public question. A person or an organization that violates this subsection commits a Class A infraction.

(e) An attorney, an architect, a construction manager, or a financial adviser for professional services provided with respect to a controlled project may not spend any money to promote a position on a local public question. A person who violates this subsection:

(1) commits a Class A infraction; and

(2) is barred from performing any services with respect to the controlled project."

Page 115, delete lines 20 through 42.

Delete pages 116 through 118.

Page 119, delete lines 1 through 33.

Page 134, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 157. IC 6-1.1-29.5-0.5, AS ADDED BY P.L.224-2007, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 0.5. This chapter applies only to a capital project that meets both of the following conditions:

(1) The capital project is a controlled project (as defined in IC 6-1.1-20-1.1). ~~except as provided in subdivision (2).~~

(2) ~~Notwithstanding IC 6-1.1-20-1.1(2),~~ The capital project will cost the political subdivision more than **the lesser of:**

(A) seven million dollars (\$7,000,000); or

(B) **an amount equal to five-tenths of one percent (0.5%) of the total taxable property within the political subdivision for the last assessment date."**

Page 215, after line 42, begin a new paragraph and insert:

"SECTION 222. IC 8-14-9-12, AS AMENDED BY P.L.219-2007, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. All bonds and interest on bonds issued under this chapter are exempt from taxation as provided under IC 6-8-5-1. All general laws relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**

(B) **voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);**

(3) the appropriation of the proceeds of the bonds and the approval of the appropriation by the department of local

1 government finance; and  
 2 (4) the sale of bonds at public sale for not less than par value;  
 3 are applicable to proceedings under this chapter.

4 SECTION 223. IC 8-22-3-16, AS AMENDED BY P.L.219-2007,  
 5 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2008]: Sec. 16. (a) The board may issue general obligation  
 7 bonds of the authority for the purpose of procuring funds to pay the  
 8 cost of acquiring real property, or constructing, enlarging, improving,  
 9 remodeling, repairing, or equipping buildings, structures, runways, or  
 10 other facilities, for use as or in connection with or for administrative  
 11 purposes of the airport. The issuance of the bonds must be authorized  
 12 by ordinance of the board providing for the amount, terms, and tenor  
 13 of the bonds and for the time and character of notice and the mode of  
 14 making sale. If one (1) airport is owned by the authority, an ordinance  
 15 authorizing the issuance of bonds for a separate second airport is  
 16 subject to approval as provided in this section. The bonds bear interest  
 17 and are payable at the times and places that the board determines but  
 18 running not more than twenty-five (25) years after the date of their  
 19 issuance, and they must be executed in the name of the authority by the  
 20 president of the board and attested by the secretary who shall affix to  
 21 each of the bonds the official seal of the authority. The interest coupons  
 22 attached to the bonds may be executed by placing on them the  
 23 facsimile signature of the president of the board.

24 (b) The issuance of general obligation bonds must be approved by  
 25 resolution of the following body:

26 (1) When the authority is established by an eligible entity, by its  
 27 fiscal body.

28 (2) When the authority is established by two (2) or more eligible  
 29 entities acting jointly, by the fiscal body of each of those entities.

30 (3) When the authority was established under IC 19-6-2 (**before**  
 31 **its repeal**), by the mayor of the consolidated city, and if a second  
 32 airport is to be funded, also by the city-county council.

33 (4) When the authority was established under IC 19-6-3 (**before**  
 34 **its repeal**), by the county council.

35 (c) The airport director shall manage and supervise the preparation,  
 36 advertisement, and sale of the bonds, subject to the authorizing  
 37 ordinance. Before the sale of the bonds, the airport director shall cause  
 38 notice of the sale to be published once each week for two (2)  
 39 consecutive weeks in two (2) newspapers of general circulation  
 40 published in the district, setting out the time and place where bids will  
 41 be received, the amount and maturity dates of the issue, the maximum  
 42 interest rate, and the terms and conditions of sale and delivery of the  
 43 bonds. The bonds shall be sold to the highest bidder, in accordance  
 44 with the procedures for selling public bonds. After the bonds have been  
 45 properly sold and executed, the airport director shall deliver them to the  
 46 treasurer of the authority and take a receipt for them, and shall certify

1 to the treasurer the amount which the purchaser is to pay for them,  
 2 together with the name and address of the purchaser. On payment of  
 3 the purchase price, the treasurer shall deliver the bonds to the  
 4 purchaser, and the treasurer and airport director or superintendent shall  
 5 report their actions to the board.

6 (d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

7 (1) the filing of a petition requesting the issuance of bonds and  
 8 giving notice of them;

9 (2) the giving of notice of determination to issue bonds;

10 (3) the giving of notice of hearing on the appropriation of the  
 11 proceeds of bonds and the right of taxpayers to appeal and be  
 12 heard on the proposed appropriation;

13 (4) the approval of the appropriation by the department of local  
 14 government finance;

15 (5) the right of:

16 (A) taxpayers and voters to remonstrate against the issuance of  
 17 bonds **in the case of a proposed bond issue described by**  
 18 **IC 6-1.1-20-3.1(a); or**

19 (B) voters to vote on the issuance of bonds in the case of a  
 20 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

21 and

22 (6) the sale of bonds at public sale for not less than par value;  
 23 are applicable to proceedings under this chapter for the issuance of  
 24 general obligation bonds.

25 (e) Bonds issued under this chapter are not a corporate obligation or  
 26 indebtedness of any eligible entity but are an indebtedness of the  
 27 authority as a municipal corporation. An action to question the validity  
 28 of the bonds issued or to prevent their issue must be instituted not later  
 29 than the date set for sale of the bonds, and all of the bonds after that  
 30 date are incontestable."

31 Page 216, between lines 16 and 17, begin a new paragraph and  
 32 insert:

33 "SECTION 225. IC 12-29-1-5, AS AMENDED BY P.L.219-2007,  
 34 SECTION 96, AND AS AMENDED BY P.L.224-2007, SECTION  
 35 101, IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 36 [EFFECTIVE JULY 1, 2008]: Sec. 5. All general Indiana statutes  
 37 relating to the following apply to the issuance of county bonds under  
 38 this chapter:

39 (1) The filing of a petition requesting the issuance of bonds.

40 (2) The giving of notice of the following:

41 (A) The filing of the petition requesting the issuance of the  
 42 bonds.

43 (B) The determination to issue bonds.

44 (C) A hearing on the appropriation of the proceeds of the  
 45 bonds.

46 (3) The right of taxpayers to appear and be heard on the proposed

1 appropriation.

2 (4) The approval of the appropriation by the department of local  
3 government finance *(before January 1, 2009) or the county board*  
4 *of tax and capital projects review (after December 31, 2008).*

5 (5) The right of:

6 (A) taxpayers *and voters* to remonstrate against the issuance  
7 of bonds **in the case of a proposed bond issue described by**  
8 **IC 6-1.1-20-3.1(a); or**

9 **(B) voters to vote on the issuance of bonds in the case of a**  
10 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

11 SECTION 226. IC 12-29-2-18, AS AMENDED BY P.L.219-2007,  
12 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2008]: Sec. 18. All general Indiana statutes relating to the  
14 following apply to the issuance of county bonds under this chapter:

15 (1) The filing of a petition requesting the issuance of bonds.

16 (2) The giving of notice of the following:

17 (A) The filing of the petition requesting the issuance of the  
18 bonds.

19 (B) The determination to issue bonds.

20 (C) A hearing on the appropriation of the proceeds of the  
21 bonds.

22 (3) The right of taxpayers to appear and be heard on the proposed  
23 appropriation.

24 (4) The approval of the appropriation by the department of local  
25 government finance.

26 (5) The right of:

27 (A) taxpayers and voters to remonstrate against the issuance of  
28 bonds **in the case of a proposed bond issue described by**  
29 **IC 6-1.1-20-3.1(a); or**

30 **(B) voters to vote on the issuance of bonds in the case of a**  
31 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

32 SECTION 227. IC 14-27-6-40, AS AMENDED BY P.L.219-2007,  
33 SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
34 JULY 1, 2008]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20  
35 relating to the following apply to proceedings under this chapter:

36 (1) The filing of a petition requesting the issuance of bonds and  
37 giving notice of the petition.

38 (2) The giving of notice of determination to issue bonds.

39 (3) The giving of notice of hearing on the appropriation of the  
40 proceeds of bonds and the right of taxpayers to appeal and be  
41 heard on the proposed appropriation.

42 (4) The approval of the appropriation by the department of local  
43 government finance.

44 (5) The right of:

45 (A) taxpayers and voters to remonstrate against the issuance of  
46 bonds **in the case of a proposed bond issue described by**

1 **IC 6-1.1-20-3.1(a); or**

2 **(B) voters to vote on the issuance of bonds in the case of a**  
 3 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

4 (6) The sale of bonds at public sale for not less than the par value.

5 SECTION 228. IC 14-33-11-8 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) Before offering  
 7 bonds for sale, the board shall give notice in the same manner as is  
 8 ~~provided~~ **required by IC 6-1.1-20** for the sale of bonds by municipal  
 9 corporations.

10 (b) Persons affected are entitled to:

11 (1) remonstrate against issuance of the bonds **(in the case of a**  
 12 **preliminary determination made before July 1, 2008, to issue**  
 13 **bonds); or**

14 **(2) vote on the proposed issuance of bonds in an election on a**  
 15 **local public question (in the case of a preliminary**  
 16 **determination made after June 30, 2008, to issue bonds).**

17 (c) An action to question the validity of the bonds may not be  
 18 instituted after the date fixed for sale, and the bonds are incontestable  
 19 after that time.

20 SECTION 229. IC 14-33-11-9 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. If the board is denied  
 22 the right to issue bonds as a result of remonstrance proceedings **or an**  
 23 **election on a local public question held under IC 6-1.1-20-3.6:**

24 (1) all contracts let by the board for work to be paid from the sale  
 25 of bonds are void; and

26 (2) no liability accrues to the district or to the board."

27 Page 216, between lines 31 and 32, begin a new paragraph and  
 28 insert:

29 "SECTION 231. IC 16-22-6-20 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. (a) If the execution  
 31 of the original or a modified lease is authorized, notice of the signing  
 32 shall be published on behalf of the county one (1) time in a newspaper  
 33 of general circulation and published in the county. Except as provided  
 34 in subsection (b), at least ten (10) taxpayers in the county whose tax  
 35 rate will be affected by the proposed lease may file a petition with the  
 36 county auditor not more than thirty (30) days after publication of notice  
 37 of the execution of the lease. The petition must set forth the objections  
 38 to the lease and facts showing that the execution of the lease is  
 39 unnecessary or unwise or that the lease rental is not fair and reasonable.

40 (b) The authority for taxpayers to object to a proposed lease  
 41 described in subsection (a) does not apply if the authority complies  
 42 with the procedures for the issuance of bonds and other evidences of  
 43 indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~  
 44 **IC 6-1.1-20.**

45 SECTION 232. IC 16-22-8-43, AS AMENDED BY P.L.194-2007,  
 46 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2008]: Sec. 43. (a) The corporation may issue general obligation bonds to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings for use as a hospital, a health care facility, or an administrative facility. The issuance of the bonds shall be authorized by a board resolution providing for the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance. The bonds shall be executed in the name of the corporation by the executive director.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing resolution. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

(1) Notice and filing of the petition requesting the issuance of the bonds.

(2) Notice of determination to issue bonds.

(3) Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appeal and be heard.

(4) Approval by the department of local government finance.

(5) The right to:

**(A) remonstrate in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**

**(B) vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).**

(6) Sale of bonds at public sale for not less than the par value.

(d) The bonds are the direct general obligations of the corporation and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.

(e) The bonds are exempt from taxation for all purposes but the interest is subject to the adjusted gross income tax."

Page 217, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 236. IC 20-46-7-8, AS AMENDED BY P.L.224-2007, SECTION 116, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) A school corporation must file a petition requesting approval from the department of local government finance to:

- (1) incur bond indebtedness;
- (2) enter into a lease rental agreement; or
- (3) repay from the debt service fund loans made for the purchase of school buses under IC 20-27-4-5;

not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2)~~, **IC 6-1.1-20-3.1(c)(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable**, unless the school corporation demonstrates that a longer period is reasonable in light of the school corporation's facts and circumstances.

(b) A school corporation must obtain approval from the department of local government finance before the school corporation may:

- (1) incur the indebtedness;
- (2) enter into the lease agreement; or
- (3) repay the school bus purchase loan.

(c) This restriction does not apply to property taxes that a school corporation levies to pay or fund bond or lease rental indebtedness created or incurred before July 1, 1974. In addition, this restriction does not apply to a lease agreement or a purchase agreement entered into between a school corporation and the Indiana bond bank for the lease or purchase of a school bus under IC 5-1.5-4-1(a)(5), if the lease agreement or purchase agreement conforms with the school corporation's ten (10) year school bus replacement plan approved by the department of local government finance under IC 21-2-11.5-3.1 **(before its repeal) or IC 20-46-5.**

(d) This section does not apply to:

- (1) school bus purchase loans made by a school corporation that will be repaid solely from the general fund of the school corporation; or
- (2) bonded indebtedness incurred or lease rental agreements entered into for capital projects approved by a county board of tax and capital projects review under IC 6-1.1-29.5 after December 31, 2008.

SECTION 237. IC 20-47-4-6, AS ADDED BY P.L.2-2006, SECTION 170, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) A lessor corporation may acquire and finance an existing school building, other than as provided in section 5 of this chapter, and lease the existing school building to a school corporation. A school corporation shall comply with:

(1) IC 20-47-2 or IC 20-47-3; and

(2) **either:**

(A) the petition and remonstrance provisions under IC 6-1.1-20, **in the case of a school corporation that is a growing school corporation (as defined in IC 6-1.1-20-3.6(h));** or

(B) the local public question provisions under IC 6-1.1-20 **in the case of a school corporation that is not a growing school corporation (as defined in IC 6-1.1-20-3.6(h)).**

(b) A lease made under this section may provide for the payment of lease rentals by the school corporation for the use of the existing school building.

(c) Lease rental payments made under the lease do not constitute a debt of the school corporation for purposes of the Constitution of the State of Indiana.

(d) A new school building may be substituted for the existing school building under the lease if the substitution was included in the notices given under IC 20-47-2, IC 20-47-3, and IC 6-1.1-20. A new school building must be substituted for the existing school building upon completion of the new school building.

SECTION 238. IC 20-48-1-8, AS AMENDED BY P.L.219-2007, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. The provisions of all general statutes and rules relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of the issuance of bonds;

(2) giving notice of determination to issue bonds;

(3) giving notice of a hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appear and be heard on the proposed appropriation;

(4) the approval of the appropriation by the department of local government finance; and

(5) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, **in the case of a school corporation that is a growing school corporation (as defined in IC 6-1.1-20-3.6(h));** or

(B) voters to vote on the issuance of bonds, **in the case of a school corporation that is not a growing school corporation (as defined in IC 6-1.1-20-3.6(h));**

apply to proceedings for the issuance of bonds and the making of an emergency loan under this article and IC 20-26-1 through IC 20-26-5. An action to contest the validity of the bonds or emergency loans may not be brought later than five (5) days after the acceptance of a bid for the sale of the bonds."

Page 233, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 253. IC 36-3-5-8, AS AMENDED BY P.L.219-2007, SECTION 113, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

- (1) hold all required hearings;
- (2) adopt all necessary resolutions; and
- (3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

- (1) be dated;
- (2) be issued in any denomination;
- (3) mature at any time or times not exceeding fifty (50) years after their date; and
- (4) be payable at any bank or banks;

as determined by the board. The interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds ~~and in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or~~

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

(6) The sale of bonds at public sale."

Page 235, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 256. IC 36-5-2-11, AS AMENDED BY P.L.219-2007, SECTION 116, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2008]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds ~~and in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or~~

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

(6) The sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5."

Page 240, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 263. IC 36-7-14-25.1, AS AMENDED BY P.L.219-2007, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

- (1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
- (2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
- (3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and
- (4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

- (1) the denominations of the bonds;
- (2) the place or places at which the bonds are payable; and
- (3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit, and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

- (1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;
- (2) from the tax proceeds allocated under section 39(b)(2) of this chapter;
- (3) from other revenues available to the redevelopment commission; or
- (4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of:
  - (A) taxpayers and voters to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**
  - (B) voters to vote on the issuance of bonds in the case of a

1                   **proposed bond issue described by IC 6-1.1-20-3.5(a);**  
 2                   apply to bonds issued under this chapter, except for bonds payable  
 3                   solely from tax proceeds allocated under section 39(b)(2) of this  
 4                   chapter, other revenues of the redevelopment commission, or any  
 5                   combination of these sources.

6                   (m) If a debt service reserve is created from the proceeds of bonds,  
 7                   the debt service reserve may be used to pay principal and interest on  
 8                   the bonds as provided in the bond resolution.

9                   (n) Any amount remaining in the debt service reserve after all of the  
 10                  bonds of the issue for which the debt service reserve was established  
 11                  have matured shall be deposited in the allocation fund established  
 12                  under section 39(b)(2) of this chapter.

13                  (o) If bonds are issued under this chapter that are payable solely or  
 14                  in part from revenues to the redevelopment commission from a project  
 15                  or projects, the redevelopment commission may adopt a resolution or  
 16                  trust indenture or enter into covenants as is customary in the issuance  
 17                  of revenue bonds. The resolution or trust indenture may pledge or  
 18                  assign the revenues from the project or projects, but may not convey or  
 19                  mortgage any project or parts of a project. The resolution or trust  
 20                  indenture may also contain any provisions for protecting and enforcing  
 21                  the rights and remedies of the bond owners as may be reasonable and  
 22                  proper and not in violation of law, including covenants setting forth the  
 23                  duties of the redevelopment commission. The redevelopment  
 24                  commission may establish fees and charges for the use of any project  
 25                  and covenant with the owners of any bonds to set those fees and  
 26                  charges at a rate sufficient to protect the interest of the owners of the  
 27                  bonds. Any revenue bonds issued by the redevelopment commission  
 28                  that are payable solely from revenues of the commission shall contain  
 29                  a statement to that effect in the form of bond.

30                  (p) If the total principal amount of bonds authorized by a resolution  
 31                  of the redevelopment commission is equal to or greater than three  
 32                  million dollars (\$3,000,000), the bonds may not be issued without the  
 33                  approval, by resolution, of the legislative body of the unit.

34                  SECTION 264. IC 36-7-14.5-12.5, AS AMENDED BY  
 35                  P.L.219-2007, SECTION 127, IS AMENDED TO READ AS  
 36                  FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.5. (a) This section  
 37                  applies only to an authority in a county having a United States  
 38                  government military base that is scheduled for closing or is completely  
 39                  or partially inactive or closed.

40                  (b) In order to accomplish the purposes set forth in section 11 of this  
 41                  chapter, an authority may create an economic development area:

- 42                       (1) by following the procedures set forth in IC 36-7-14-41 for the
- 43                       establishment of an economic development area by a
- 44                       redevelopment commission; and
- 45                       (2) with the same effect as if the economic development area was
- 46                       created by a redevelopment commission.

The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same

conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic

development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

- (1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.
  - (2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).
  - (3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.
  - (4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefiting that allocation area.
  - (5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:
- STEP ONE: Determine that part of the sum of the amounts

under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax  
 replacement amount (as defined in IC 6-1.1-21-2) for that  
 year as determined under IC 6-1.1-21-4 that is attributable  
 to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in  
 IC 6-1.1-21-2) levied in the taxing district that have been  
 allocated during that year to an allocation fund under this  
 section.

If not all the taxpayers in an allocation area receive the credit in  
 full, each taxpayer in the allocation area is entitled to receive the  
 same proportion of the credit. A taxpayer may not receive a credit  
 under this section and a credit under IC 36-7-14-39.5 in the same  
 year.

(6) Pay expenses incurred by the authority for local public  
 improvements or structures that are in the allocation area or  
 serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in  
 training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as  
 industrial property under the rules of the department of local  
 government finance.

However, the total amount of money spent for this purpose in any  
 year may not exceed the total amount of money in the allocation  
 fund that is attributable to property taxes paid by the industrial  
 facilities described in clause (B). The reimbursements under this  
 subdivision must be made within three (3) years after the date on  
 which the investments that are the basis for the increment  
 financing are made. The allocation fund may not be used for  
 operating expenses of the authority.

(e) In addition to other methods of raising money for property  
 acquisition, redevelopment, or economic development activities in or  
 directly serving or ~~benefiting~~ **benefiting** an economic development  
 area created by an authority under this section, and in anticipation of  
 the taxes allocated under subsection (d), other revenues of the  
 authority, or any combination of these sources, the authority may, by  
 resolution, issue the bonds of the special taxing district in the name of  
 the unit. Bonds issued under this section may be issued in any amount  
 without limitation. The following apply if such a resolution is adopted:

(1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.

(3) The bonds are exempt from taxation for all purposes.

(4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:

(A) from the tax proceeds allocated under subsection (d);

(B) from other revenues available to the authority; or

(C) from a combination of the methods stated in clauses (A) and (B).

(6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(7) Laws relating to:

(A) the filing of petitions requesting the issuance of bonds; and

(B) the right of:

(i) taxpayers and voters to remonstrate against the issuance of bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

(ii) **voters to vote on the proposed issuance of bonds under IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a

1 statement to that effect in the form of bond.

2 (f) Notwithstanding section 8(a) of this chapter, an ordinance  
3 adopted under ~~section 11~~ of this chapter may provide, or be amended  
4 to provide, that the board of directors of the authority shall be  
5 composed of not fewer than three (3) nor more than eleven (11)  
6 members, who must be residents of the unit appointed by the executive  
7 of the unit.

8 (g) The acquisition of real and personal property by an authority  
9 under this section is not subject to the provisions of IC 5-22,  
10 IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the  
11 purchase of property by public bodies or their agencies.

12 (h) An authority may negotiate for the sale, lease, or other  
13 disposition of real and personal property without complying with the  
14 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other  
15 statute governing the disposition of public property.

16 (i) Notwithstanding any other law, utility services provided within  
17 an economic development area established under this section are  
18 subject to regulation by the appropriate regulatory agencies unless the  
19 utility service is provided by a utility that provides utility service solely  
20 within the geographic boundaries of an existing or a closed military  
21 installation, in which case the utility service is not subject to regulation  
22 for purposes of rate making, regulation, service delivery, or issuance of  
23 bonds or other forms of indebtedness. However, this exemption from  
24 regulation does not apply to utility service if the service is generated,  
25 treated, or produced outside the boundaries of the existing or closed  
26 military installation.

27 SECTION 265. IC 36-7-15.1-17, AS AMENDED BY P.L.219-2007,  
28 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
29 [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) In addition to other methods  
30 of raising money for property acquisition or redevelopment in a  
31 redevelopment project area, and in anticipation of the special tax to be  
32 levied under section 19 of this chapter, the taxes allocated under  
33 section 26 of this chapter, or other revenues of the redevelopment  
34 district, the commission may, by resolution, issue the bonds of the  
35 redevelopment district in the name of the consolidated city and in  
36 accordance with IC 36-3-5-8. The amount of the bonds may not exceed  
37 the total, as estimated by the commission, of all expenses reasonably  
38 incurred in connection with the acquisition and redevelopment of the  
39 property, including:

- 40 (1) the total cost of all land, rights-of-way, and other property to  
41 be acquired and redeveloped;
- 42 (2) all reasonable and necessary architectural, engineering, legal,  
43 financing, accounting, advertising, bond discount, and  
44 supervisory expenses related to the acquisition and redevelopment  
45 of the property or the issuance of bonds;
- 46 (3) capitalized interest permitted in this chapter and a debt service

1 reserve for the bonds, to the extent that the redevelopment  
 2 commission determines that a reserve is reasonably required;  
 3 (4) the total cost of all clearing and construction work provided  
 4 for in the resolution; and  
 5 (5) expenses that the commission is required or permitted to pay  
 6 under IC 8-23-17.

7 (b) If the commission plans to acquire different parcels of land or let  
 8 different contracts for redevelopment work at approximately the same  
 9 time, whether under one (1) or more resolutions, the commission may  
 10 provide for the total cost in one (1) issue of bonds.

11 (c) The bonds must be dated as set forth in the bond resolution and  
 12 negotiable subject to the requirements of the bond resolution for the  
 13 registration of the bonds. The resolution authorizing the bonds must  
 14 state:

- 15 (1) the denominations of the bonds;
- 16 (2) the place or places at which the bonds are payable; and
- 17 (3) the term of the bonds, which may not exceed fifty (50) years.

18 The resolution may also state that the bonds are redeemable before  
 19 maturity with or without a premium, as determined by the commission.

20 (d) The commission shall certify a copy of the resolution authorizing  
 21 the bonds to the fiscal officer of the consolidated city, who shall then  
 22 prepare the bonds. The seal of the unit must be impressed on the bonds,  
 23 or a facsimile of the seal must be printed on the bonds.

24 (e) The bonds shall be executed by the city executive and attested  
 25 by the fiscal officer. The interest coupons, if any, shall be executed by  
 26 the facsimile signature of the fiscal officer.

27 (f) The bonds are exempt from taxation as provided by IC 6-8-5.

28 (g) The city fiscal officer shall sell the bonds according to law.  
 29 Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax  
 30 proceeds allocated under section 26(b)(2) of this chapter or other  
 31 revenues of the district may be sold at private negotiated sale and at a  
 32 price or prices not less than ninety-seven percent (97%) of the par  
 33 value.

34 (h) The bonds are not a corporate obligation of the city but are an  
 35 indebtedness of the redevelopment district. The bonds and interest are  
 36 payable:

- 37 (1) from a special tax levied upon all of the property in the
- 38 redevelopment district, as provided by section 19 of this chapter;
- 39 (2) from the tax proceeds allocated under section 26(b)(2) of this
- 40 chapter;
- 41 (3) from other revenues available to the commission; or
- 42 (4) from a combination of the methods stated in subdivisions (1)
- 43 through (3);

44 and from any revenues of the designated project. If the bonds are  
 45 payable solely from the tax proceeds allocated under section 26(b)(2)  
 46 of this chapter, other revenues of the redevelopment commission, or

1 any combination of these sources, they may be issued in any amount  
2 without limitation.

3 (i) Proceeds from the sale of the bonds may be used to pay the cost  
4 of interest on the bonds for a period not to exceed five (5) years from  
5 the date of issue.

6 (j) Notwithstanding IC 36-3-5-8, the laws relating to:

7 (1) the filing of petitions requesting the issuance of bonds; and

8 (2) the right of:

9 (A) taxpayers and voters to remonstrate against the issuance of  
10 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

11 **(B) voters to vote on the proposed issuance of bonds under**  
12 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

13 applicable to bonds issued under this chapter do not apply to bonds  
14 payable solely or in part from tax proceeds allocated under section  
15 26(b)(2) of this chapter, other revenues of the commission, or any  
16 combination of these sources.

17 (k) If bonds are issued under this chapter that are payable solely or  
18 in part from revenues to the commission from a project or projects, the  
19 commission may adopt a resolution or trust indenture or enter into  
20 covenants as is customary in the issuance of revenue bonds. The  
21 resolution or trust indenture may pledge or assign the revenues from  
22 the project or projects, but may not convey or mortgage any project or  
23 parts of a project. The resolution or trust indenture may also contain  
24 any provisions for protecting and enforcing the rights and remedies of  
25 the bond owners as may be reasonable and proper and not in violation  
26 of law, including covenants setting forth the duties of the commission.  
27 The commission may establish fees and charges for the use of any  
28 project and covenant with the owners of any bonds to set those fees and  
29 charges at a rate sufficient to protect the interest of the owners of the  
30 bonds. Any revenue bonds issued by the commission that are payable  
31 solely from revenues of the commission must contain a statement to  
32 that effect in the form of bond."

33 Page 240, between lines 31 and 32, begin a new paragraph and  
34 insert:

35 "SECTION 268. IC 36-7-15.1-45, AS AMENDED BY  
36 P.L.219-2007, SECTION 132, IS AMENDED TO READ AS  
37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) In addition to  
38 other methods of raising money for property acquisition or  
39 redevelopment in a redevelopment project area, and in anticipation of  
40 the special tax to be levied under section 50 of this chapter, the taxes  
41 allocated under section 53 of this chapter, or other revenues of the  
42 redevelopment district, a commission may, by resolution, issue the  
43 bonds of its redevelopment district in the name of the excluded city.  
44 The amount of the bonds may not exceed the total, as estimated by the  
45 commission, of all expenses reasonably incurred in connection with the  
46 acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;

(4) the total cost of all clearing and construction work provided for in the resolution; and

(5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If a commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, a commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements concerning registration of the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the excluded city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the excluded city executive and attested by the excluded city fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the excluded city fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The excluded city fiscal officer shall sell the bonds according to law. Bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the excluded city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

(1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 50 of this chapter;

(2) from the tax proceeds allocated under section 53(b)(2) of this chapter;

1 (3) from other revenues available to the commission; or  
 2 (4) from a combination of the methods described in subdivisions  
 3 (1) through (3);  
 4 and from any revenues of the designated project. If the bonds are  
 5 payable solely from the tax proceeds allocated under section 53(b)(2)  
 6 of this chapter, other revenues of the redevelopment commission, or  
 7 any combination of these sources, they may be issued in any amount  
 8 without limitation.

9 (i) Proceeds from the sale of the bonds may be used to pay the cost  
 10 of interest on the bonds for a period not to exceed five (5) years from  
 11 the date of issue.

12 (j) The laws relating to:

13 (1) the filing of petitions requesting the issuance of bonds; and

14 (2) the right of:

15 (A) taxpayers and voters to remonstrate against the issuance of  
 16 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

17 **(B) voters to vote on the proposed issuance of bonds under**  
 18 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

19 applicable to bonds issued under this chapter do not apply to bonds  
 20 payable solely or in part from tax proceeds allocated under section  
 21 53(b)(2) of this chapter, other revenues of the commission, or any  
 22 combination of these sources.

23 (k) If bonds are issued under this chapter that are payable solely or  
 24 in part from revenues to a commission from a project or projects, a  
 25 commission may adopt a resolution or trust indenture or enter into  
 26 covenants as is customary in the issuance of revenue bonds. The  
 27 resolution or trust indenture may pledge or assign the revenues from  
 28 the project or projects but may not convey or mortgage any project or  
 29 parts of a project. The resolution or trust indenture may also contain  
 30 any provisions for protecting and enforcing the rights and remedies of  
 31 the bond owners as may be reasonable and proper and not in violation  
 32 of law, including covenants setting forth the duties of the commission.  
 33 The commission may establish fees and charges for the use of any  
 34 project and covenant with the owners of bonds to set those fees and  
 35 charges at a rate sufficient to protect the interest of the owners of the  
 36 bonds. Any revenue bonds issued by the commission that are payable  
 37 solely from revenues of the commission must contain a statement to  
 38 that effect in the form of bond.

39 SECTION 269. IC 36-7-30-18, AS AMENDED BY P.L.219-2007,  
 40 SECTION 134, IS AMENDED TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) In addition to other methods  
 42 of raising money for property acquisition, redevelopment, or economic  
 43 development activities in or directly serving or benefiting a military  
 44 base reuse area, and in anticipation of the taxes allocated under section  
 45 25 of this chapter, other revenues of the district, or any combination of  
 46 these sources, the reuse authority may by resolution issue the bonds of

1 the special taxing district in the name of the unit.

2 (b) The reuse authority shall certify a copy of the resolution  
3 authorizing the bonds to the municipal or county fiscal officer, who  
4 shall then prepare the bonds. The seal of the unit must be impressed on  
5 the bonds, or a facsimile of the seal must be printed on the bonds.

6 (c) The bonds must be executed by the appropriate officer of the  
7 unit and attested by the unit's fiscal officer.

8 (d) The bonds are exempt from taxation for all purposes.

9 (e) Bonds issued under this section may be sold at public sale in  
10 accordance with IC 5-1-11 or at a negotiated sale.

11 (f) The bonds are not a corporate obligation of the unit but are an  
12 indebtedness of the taxing district. The bonds and interest are payable,  
13 as set forth in the bond resolution of the reuse authority, from any of  
14 the following:

- 15 (1) The tax proceeds allocated under section 25 of this chapter.
- 16 (2) Other revenues available to the reuse authority.
- 17 (3) A combination of the methods stated in subdivisions (1)  
18 through (2).

19 If the bonds are payable solely from the tax proceeds allocated under  
20 section 25 of this chapter, other revenues of the reuse authority, or any  
21 combination of these sources, the bonds may be issued in any amount  
22 without limitation.

23 (g) Proceeds from the sale of bonds may be used to pay the cost of  
24 interest on the bonds for a period not to exceed five (5) years after the  
25 date of issuance.

26 (h) All laws relating to:

- 27 (1) the filing of petitions requesting the issuance of bonds; and
- 28 (2) the right of:
  - 29 (A) taxpayers and voters to remonstrate against the issuance of
  - 30 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**
  - 31 **(B) voters to vote on the proposed issuance of bonds under**
  - 32 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

33 do not apply to bonds issued under this chapter.

34 (i) If a debt service reserve is created from the proceeds of bonds,  
35 the debt service reserve may be used to pay principal and interest on  
36 the bonds as provided in the bond resolution.

37 (j) If bonds are issued under this chapter that are payable solely or  
38 in part from revenues of the reuse authority, the reuse authority may  
39 adopt a resolution or trust indenture or enter into covenants as is  
40 customary in the issuance of revenue bonds. The resolution or trust  
41 indenture may pledge or assign revenues of the reuse authority and  
42 properties becoming available to the reuse authority under this chapter.  
43 The resolution or trust indenture may also contain provisions for  
44 protecting and enforcing the rights and remedies of the bond owners as  
45 may be reasonable and proper and not in violation of law, including a  
46 covenant setting forth the duties of the reuse authority. The reuse

1 authority may establish fees and charges for the use of any project and  
 2 covenant with the owners of any bonds to set the fees and charges at a  
 3 rate sufficient to protect the interest of the owners of the bonds.  
 4 Revenue bonds issued by the reuse authority that are payable solely  
 5 from revenues of the reuse authority shall contain a statement to that  
 6 effect in the form of the bond."

7 Page 242, between lines 5 and 6, begin a new paragraph and insert:

8 "SECTION 270. IC 36-7-30.5-23, AS AMENDED BY  
 9 P.L.219-2007, SECTION 137, IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 23. (a) In addition to  
 11 other methods of raising money for property acquisition,  
 12 redevelopment, reuse, or economic development activities in or directly  
 13 serving or ~~benefitting~~ **benefitting** a military base development area, and  
 14 in anticipation of the taxes allocated under section 30 of this chapter,  
 15 other revenues of the district, or any combination of these sources, the  
 16 development authority may by resolution issue the bonds of the  
 17 development authority.

18 (b) The secretary-treasurer of the development authority shall  
 19 prepare the bonds. The seal of the development authority must be  
 20 impressed on the bonds or a facsimile of the seal must be printed on the  
 21 bonds.

22 (c) The bonds must be executed by the president of the development  
 23 authority and attested by the secretary-treasurer.

24 (d) The bonds are exempt from taxation for all purposes.

25 (e) Bonds issued under this section may be sold at public sale in  
 26 accordance with IC 5-1-11 or at a negotiated sale.

27 (f) The bonds are not a corporate obligation of a unit but are an  
 28 indebtedness of only the development authority. The bonds and interest  
 29 are payable, as set forth in the bond resolution of the development  
 30 authority, from any of the following:

31 (1) The tax proceeds allocated under section 30 of this chapter.

32 (2) Other revenues available to the development authority.

33 (3) A combination of the methods stated in subdivisions (1)  
 34 through (2).

35 The bonds issued under this section may be issued in any amount  
 36 without limitation.

37 (g) Proceeds from the sale of bonds may be used to pay the cost of  
 38 interest on the bonds for a period not to exceed five (5) years after the  
 39 date of issuance.

40 (h) All laws relating to:

41 (1) the filing of petitions requesting the issuance of bonds; and

42 (2) the right of:

43 (A) taxpayers and voters to remonstrate against the issuance of  
 44 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

45 **(B) voters to vote on the proposed issuance of bonds under**  
 46 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

1 do not apply to bonds issued under this chapter.

2 (i) If a debt service reserve is created from the proceeds of bonds,  
3 the debt service reserve may be used to pay principal and interest on  
4 the bonds as provided in the bond resolution.

5 (j) If bonds are issued under this chapter that are payable solely or  
6 in part from revenues of the development authority, the development  
7 authority may adopt a resolution or trust indenture or enter into  
8 covenants as is customary in the issuance of revenue bonds. The  
9 resolution or trust indenture may pledge or assign revenues of the  
10 development authority and properties becoming available to the  
11 development authority under this chapter. The resolution or trust  
12 indenture may also contain provisions for protecting and enforcing the  
13 rights and remedies of the bond owners as may be reasonable and  
14 proper and not in violation of law, including a covenant setting forth  
15 the duties of the development authority. The development authority  
16 may establish fees and charges for the use of any project and covenant  
17 with the owners of any bonds to set the fees and charges at a rate  
18 sufficient to protect the interest of the owners of the bonds. Revenue  
19 bonds issued by the development authority that are payable solely from  
20 revenues of the development authority shall contain a statement to that  
21 effect in the form of the bond.".

22 Page 243, between lines 21 and 22, begin a new paragraph and  
23 insert:

24 "SECTION 272. IC 36-9-3-31, AS AMENDED BY P.L.219-2007,  
25 SECTION 141, IS AMENDED TO READ AS FOLLOWS  
26 [EFFECTIVE JULY 1, 2008]: Sec. 31. (a) This section applies to an  
27 authority that includes a county having a population of more than four  
28 hundred thousand (400,000) but less than seven hundred thousand  
29 (700,000).

30 (b) The authority may issue revenue or general obligation bonds  
31 under this section.

32 (c) The board may issue revenue bonds of the authority for the  
33 purpose of procuring money to pay the cost of acquiring real or  
34 personal property for the purpose of this chapter. The issuance of bonds  
35 must be authorized by resolution of the board and approved by the  
36 county fiscal bodies of the counties in the authority before issuance.  
37 The resolution must provide for the amount, terms, and tenor of the  
38 bonds, and for the time and character of notice and mode of making  
39 sale of the bonds.

40 (d) The bonds are payable at the times and places determined by the  
41 board, but they may not run more than thirty (30) years after the date  
42 of their issuance and must be executed in the name of the authority by  
43 an authorized officer of the board and attested by the secretary. The  
44 interest coupons attached to the bonds may be executed by placing on  
45 them the facsimile signature of the authorized officer of the board.

46 (e) The president of the authority shall manage and supervise the

preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of bonds, the president shall cause notice of the sale to be published in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold in accordance with IC 5-1-11. After the bonds have been properly sold and executed, the executive director or president shall deliver them to the controller of the authority and take a receipt for them, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price the controller shall deliver the bonds to the purchaser, and the controller and executive director or president shall report their actions to the board.

(f) General obligation bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

(1) The filing of a petition requesting the issuance of bonds.

(2) The appropriation of the proceeds of bonds.

(3) The right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds ~~and in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or~~

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

(6) The sale of bonds for not less than their par value.

(g) Notice of the filing of a petition requesting the issuance of bonds, notice of determination to issue bonds, and notice of the appropriation of the proceeds of the bonds shall be given by posting in the offices of the authority for a period of one (1) week and by publication in accordance with IC 5-3-1.

(h) The bonds are not a corporate indebtedness of any unit, but are an indebtedness of the authority as a municipal corporation. A suit to question the validity of the bonds issued or to prevent their issuance may not be instituted after the date set for sale of the bonds, and after that date the bonds may not be contested for any cause.

(i) The bonds issued under this section and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 273. IC 36-9-4-45, AS AMENDED BY P.L.219-2007, SECTION 142, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) Bonds issued under this

- chapter:
- (1) shall be issued in the denomination;
  - (2) are payable over a period not to exceed thirty (30) years from the date of the bonds; and
  - (3) mature;
- as determined by the ordinance authorizing the bond issue.
- (b) All bonds issued under this chapter, the interest on them, and the income from them are exempt from taxation to the extent provided by IC 6-8-5-1.
- (c) The provisions of IC 6-1.1-20 relating to:
- (1) filing petitions requesting the issuance of bonds and giving notice of those petitions;
  - (2) giving notice of a hearing on the appropriation of the proceeds of the bonds;
  - (3) the right of taxpayers to appear and be heard on the proposed appropriation;
  - (4) the approval of the appropriation by the department of local government finance; and
  - (5) the right of:
    - (A) taxpayers and voters to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**
    - (B) voters to vote on the issuance of bonds in the case of a **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- apply to the issuance of bonds under this chapter.
- (d) A suit to question the validity of bonds issued under this chapter or to prevent their issue and sale may not be instituted after the date set for the sale of the bonds, and the bonds are incontestable after that date."
- Page 244, between lines 2 and 3, begin a new paragraph and insert:
- "SECTION 275. IC 36-10-3-24, AS AMENDED BY P.L.219-2007, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and

other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars (\$1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds, and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- (1) the filing of a petition requesting the issuance of bonds;
- (2) the right of:
  - (A) taxpayers and voters to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**
  - (B) voters to vote on the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);**
- (3) the appropriation of the proceeds of the bonds and approval by the department of local government finance; and
- (4) the sale of bonds at public sale for not less than their par value.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 276. IC 36-10-4-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) In order to pay for:

- (1) land to be acquired for any of the purposes of this chapter;
- (2) an improvement authorized by this chapter; or
- (3) both;

the board shall issue the bonds of the district in the name of the city in anticipation of the special benefits tax to be levied under this chapter. The amount of the bonds may not exceed the estimated cost of all land to be acquired and the estimated cost of all improvements provided in the resolution, including all expenses necessarily incurred in the proceedings and a sum sufficient to pay the estimated costs of supervision and inspection during the period of construction. Expenses include all expenses actually incurred preliminary to acquisition of the land and the construction work, such as the estimated cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other expenses necessary to letting the contract and selling the bonds.

(b) The total amount of any benefits that have been assessed by the board and confirmed against lots and parcels of land, exclusive of improvements, lying within two thousand (2,000) feet on either side of the land to be acquired or of the improvement, however, shall be deducted from the estimated cost.

(c) If more than one (1) resolution or proceeding of the board under section 25 of this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the board at approximately the same time, the estimated cost involved under all of the resolutions and proceedings may be contained in one (1) issue of bonds.

(d) The bonds shall be issued in any denomination up to five thousand dollars (\$5,000) each. The bonds are negotiable instruments and bear interest at a rate established by the board and approved by the city legislative body.

(e) After adopting a resolution ordering the bonds, the board shall certify a copy of the resolution to the fiscal officer of the city. The fiscal officer shall then prepare the bonds, which shall be executed by the city executive and attested by the fiscal officer. The bonds are exempt from taxation for all purposes and are subject to IC 6-1.1-20 concerning:

(1) the filing of a petition requesting the issuance of bonds; and

(2) the right of:

(A) taxpayers to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**

(B) voters to vote on the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).**

(f) All bonds shall be sold at not less than par value plus accrued interest to date of delivery by the city fiscal officer to the highest bidder after giving notice of the sale of the bonds by publication in accordance with IC 5-3-1.

(g) The bonds are subject to approval by the city legislative body, in the manner it prescribes by ordinance or resolution.

(h) The bonds are not corporate obligations or indebtedness of the city, but are an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all property of the district. The bonds must recite these terms upon their face, together with the purposes for which they are issued.

(i) An action to question the validity of bonds of the district or to prevent their issue may not be brought after the date set for the sale of the bonds.

(j) The board may, instead of selling the bonds in series, sell the bonds to run for a period of five (5) years from the date of issue for the purposes of this chapter at any rate of interest payable semiannually, also exempt from taxation for all purposes. The board may sell bonds in series to refund the five (5) year bonds.

SECTION 277. IC 36-10-7.5-22, AS AMENDED BY P.L.219-2007, SECTION 145, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) To raise money to pay for land to be acquired for any of the purposes named in this chapter or to pay for an improvement authorized by this chapter, and in anticipation of the special benefit tax to be levied as provided in this chapter, the legislative body shall issue in the name of the township the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the legislative body under this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the executive at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars (\$1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the legislative body shall certify a copy of the resolution to the township's fiscal officer. The fiscal officer shall prepare the bonds, and the executive shall execute the bonds, attested by the fiscal officer.

(c) The bonds and the interest on the bonds are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section

are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- (1) the filing of a petition requesting the issuance of bonds;
- (2) the right of:
  - (A) taxpayers and voters to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**
  - (B) voters to vote on the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);**
- (3) the appropriation of the proceeds of the bonds with the approval of the department of local government finance; and
- (4) the sale of bonds at public sale for not less than the par value of the bonds.

(d) The legislative body may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the total adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the township but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. A bond must recite the terms upon the face of the bond, together with the purposes for which the bond is issued.

SECTION 278. IC 36-10-8-16, AS AMENDED BY P.L.219-2007, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the

other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, ~~as~~ **at** the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds **in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or**

(B) voters to vote on the issuance of bonds in the case of a **proposed bond issue described by IC 6-1.1-20-3.5(a);**

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at public sale;

apply to the issuance of bonds under this section.

SECTION 279. IC 36-10-9-15, AS AMENDED BY P.L.219-2007, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution

1 to the board of commissioners of the county, together with a certificate  
 2 to the effect that the issuance of bonds in accordance with the  
 3 resolution will be in compliance with this section. The certificate must  
 4 also state the estimated annual net income of the capital improvement  
 5 to be financed by the bonds, the estimated annual tax revenues, and the  
 6 maximum amount payable in any year as principal and interest on the  
 7 bonds issued under this chapter, including the bonds proposed to be  
 8 issued, at the maximum interest rate set forth in the resolution. The  
 9 bonds issued may mature over a period not exceeding forty (40) years  
 10 from the date of issue.

11 (c) Upon receipt of the resolution and certificate, the board of  
 12 commissioners of the county may adopt them and take all action  
 13 necessary to issue the bonds in accordance with the resolution. An  
 14 action to contest the validity of bonds issued under this section may not  
 15 be brought after the fifteenth day following the receipt of bids for the  
 16 bonds.

17 (d) The provisions of all general statutes relating to:

18 (1) the filing of a petition requesting the issuance of bonds and  
 19 giving notice;

20 (2) the right of:

21 (A) taxpayers and voters to remonstrate against the issuance of  
 22 bonds **in the case of a proposed bond issue described by**  
 23 **IC 6-1.1-20-3.1(a); or**

24 (B) voters to vote on the issuance of bonds in the case of a  
 25 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

26 (3) the giving of notice of the determination to issue bonds;

27 (4) the giving of notice of a hearing on the appropriation of the  
 28 proceeds of bonds;

29 (5) the right of taxpayers to appear and be heard on the proposed  
 30 appropriation;

31 (6) the approval of the appropriation by the department of local  
 32 government finance; and

33 (7) the sale of bonds at public sale for not less than par value;

34 are applicable to the issuance of bonds under this section."

35 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed January 17, 2008.)

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Representative Borrer